



California Public Utilities Commission

505 Van Ness Avenue, San Francisco, CA 94102

News Release

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PUC INCREASES FUNDING FOR NATURAL GAS ENERGY EFFICIENCY PROGRAMS

SAN FRANCISCO, Dec. 2, 2004 – The California Public Utilities Commission (PUC) today increased funding for natural gas energy efficiency programs by 20 percent for the coming winter. The added funding is expected to save 8.7 million therms of natural gas – a 40 percent increase in the energy savings goals for the state for the entire year.

The \$19.7 million in increased funding is allocated among the state's three natural gas utilities – Pacific Gas and Electric Company, San Diego Gas and Electric Company, and Southern California Gas Company. The three companies applied to the Commission to increase the funding for their natural gas energy efficiency programs because of dramatic increases in natural gas prices in recent months and because of concerns that current levels of production may not be adequate to meet demand in the near future.

The Commission has embarked on an increasingly aggressive energy efficiency program in recent years in response to the energy crisis and in recognition of the cost-effectiveness and environmental benefits of energy efficiency programs in California, as outlined in the state's Energy Action Plan. The Commission is also developing a comprehensive natural gas strategy for California that will promote system reliability and forestall shortages in future years.

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